

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

BAY STATE GAS COMPANY

D.T.E. 05-27

MASSPOWER'S FIRST SET OF INFORMATION REQUESTS

**INSTRUCTIONS FOR ALL MASSPOWER DISCOVERY
ISSUED TO BAY STATE IN THIS PROCEEDING**

1. These Information Requests call for all information, including information contained in documents, which relates to the subject matter of the requests and which is known or available to Bay State Gas Company ("Bay State" or "Company") or to any individual or entity sponsoring testimony or retained by the Company to provide information, advice, testimony or other services in connection with this proceeding.
2. Where a Request has a number of separate subdivisions or related parts or portions, a complete response is required to each such subdivision, part, or portion. Any objection to a Request should clearly indicate the subdivision, part, or portion of the Request to which it is directed.
3. If information requested is not available in the exact form requested, provide such information or documents as are available that best respond to the Request.
4. These requests are continuing in nature and require supplemental responses when further or different information with respect to the same is obtained.
5. Each response should be furnished on a separate dated page headed by the individual Request being answered. Individual responses of more than one page should be stapled or bound and each page consecutively numbered.
6. Each Information Request to "Please provide all documents..." or similar phrases includes a request to "identify" all such documents. "Identify" means to state the nature of the document, the date on which it was prepared, the subject matter and the titles and the names and positions of each person who participated in the preparation of the document, the addressee and the custodian of the documents. To the extent that a document is self-identifying, it need not be separately identified.
7. For each document produced or identified in a response which is computer generated, state separately (a) what types of data, files or tapes are included in the input and the source thereof, (b) the form of the data which constitutes machine input, (c) a description

of the recordation system employed (including descriptions, flow charts, etc.), and (d) the identity of the person who was in charge of the collection of input materials, the processing of input materials, the data bases utilized, and the programming to obtain the output.

8. If an Information Request can be answered in whole or part by reference to the response to another Request served in this proceeding, it is sufficient to so indicate by specifying the other Request by participant and number, by specifying the parts of the other response which are responsive, and by specifying whether the response to the other Request is a full or partial response to the instant Request. If it constitutes a partial response, the balance of the instant Request must be answered.
9. If the Company cannot answer a Request in full, after exercising due diligence to secure the information necessary to do so, state the answer to the extent possible, state why the Company cannot answer the Request in full, and state what information or knowledge is in the Company's possession concerning the unanswered portions.
10. If, in answering any of these Information Requests, the Company believes that any Request or definition or instruction applicable thereto is ambiguous, set forth the language you feel is ambiguous and the interpretation you are using responding to the Request.
11. If a document requested is no longer in existence, identify the document, and describe in detail the reasons the document is unavailable.
12. Provide copies of all requested documents. A response which does not provide MASSPOWER with the responsive documents, and requests MASSPOWER to inspect documents at any location is not responsive.
13. If you refuse to respond to any Information Request by reason of a claim of privilege, or for any other reason, state in writing the type of privilege claimed and the facts and circumstances you rely upon to support the claim of privilege or the reason for refusing to respond. With respect to requests for documents to which you refuse to respond, identify each such document.
14. Each request for information includes a request for all documentation which supports the response provided.
15. The term "Company" refers to Bay State Gas Company. Unless the request specifically provides otherwise, the term Company includes all witnesses, representatives, employees and legal counsel.
16. Please furnish each response on a separate sheet of paper, beginning with a restatement of the question.

INFORMATION REQUESTS

- MP 1-1. Refer to Exh. BSG/JAF-2 at 19. Please confirm that the referenced special contract customer that has been assigned a distribution rate increase is MASSPOWER.
- MP 1-2. Refer to Exh. BSG/JAF-2 at 19. Has Bay State filed separately with confidential treatment requested the details concerning the specific rates which will be charged the five special contract customers? If so, please provide the documents filed that relate to MASSPOWER. If not, please indicate when or if such a filing will be made.
- MP 1-3. Refer to Exh. BSG/JAF-2 at 20. In the case of the other special contract where a rate increase is tied to any change in the Company's firm Off-system rate:
- (a) Please indicate whether any increase in rates has ever been assessed under this contractual provision, when such assessment(s) occurred, and when they ceased.
 - (b) Please confirm that it is the Company's position that because the Company's firm Off-system rate no longer exists, a contractual rate increase provision tied to that rate is unenforceable and void and no rate increase may occur pursuant to such provision.
 - (c) If this is not the Company's position, please state the Company's position and explain how it is being implemented in the context of the referenced special contract.
- MP 1-4. Refer to Exh. BSG/JAF-2 at 20. Please provide the calculation and basis for a total allocation of the proposed rate increase to the referenced special contract customer of \$418,748.00. Please provide all communications, documents and work papers related thereto.
- MP 1-5. Refer to Exh. BSG/JAF-2 at 20. Please provide the basis for allocating 15.7% of annual revenues generated from the referenced special contract to the customer, rather than to tariff customers.
- MP 1-6. Refer to the August 1991 Firm Transportation Agreement between Bay State and MASSPOWER (the "Agreement") at 4-5.
- (a) Please provide your calculation of the "sum of the revenues received from Bay State's firm on-system and off-system sales customers."
 - (b) Please explain how Bay State determined what constitutes an "on-system" and "off-system" sales customer.

- (c) Please describe how Bay State defines an "on-system transportation customer."
- (d) Please describe Bay State's interpretation of the meaning of the phrase "as such figure is utilized by the Department" as used in the Agreement's definition of "base firm revenues."

MP 1-7. Refer to the Agreement at 7.

- (a) Please provide the amount of the "total embedded cost of gas in the test year," how that amount was calculated and any communications, documents or work papers related thereto.
- (b) Please identify the total cost of embedded gas in base rates at the time of the execution of the contract in 1991.
- (c) Please discuss all costs previously included in that definition in 1991 which have been removed from collection through base rates and collected through other adjustment mechanisms.
- (d) Please provide copies of all Department approvals transferring collection of those costs to an alternative ratemaking component since 1991.

MP 1-8. Has the Company considered seeking an adjustment pursuant to Section 6 of the Agreement at any time prior to this proceeding? If so, please provide any correspondence or documents related thereto.

MP 1-9. If the Department approves Bay State's requests for annual rate adjustment mechanisms (*e.g.*, SIR Rate Base Adjustment mechanism, performance based rate mechanism), does the Company intend to seek yearly adjustments to the monthly demand rate and interruptible transportation rate under Section 6 of the Agreement.

MP 1-10. Please provide copies of all documents included in D.P.U. 89-217 in which the Department approved the Agreement.

MP 1-11. Refer to Exh. BSG/JAF-2 at 20. Please provide the calculation and process used to verify that the rates under the Agreement exceed the marginal cost of service.

MP 1-12. Please refer to the testimony of Danny Cote, Exh. BSG/DGC-1, pps. 50-53. In discussing the facilities needed to provide service to the MASSPOWER project and MMWEC's Ludlow power plant, Mr. Cote identifies those facilities as the "Main Line." Please disaggregate the cost of facilities needed to provide service to the MASSPOWER plant and the Ludlow plant. If certain costs to provide the services are considered joint, please identify those costs, allocate and assign a portion of the joint costs to each power facility and justify the allocation method used to allocate such joint costs. Please provide all calculations and workpapers.

- MP 1-13. Please provide a history of the proposed estimates and supporting documentation, including those supplied in D.P.U. 89-217 and all subsequent updates, for the cost of the facilities required to provide service to the MASSPOWER project. Please identify each component and provide the plant account number.
- MP 1-14. Please provide an estimate of the costs associated with providing service from the "Distribution" line which provides service to Monson & Palmer distribution systems. Please provide the cost of the laterals off the 4" distribution line and all updates to the cost estimates for those facilities.
- MP 1-15. Please provide the calculations and any worksheets which estimated the 2004 operating income of \$1,231,489 and return of 9.44% set forth in Exh. BSG/DGC-1, p. 53 for the MASSPOWER/Monson & Palmer Expansion project.
- MP 1-16. Please provide copies of all notices regarding base revenue changes and all other revenue changes which have updated the rates for service provided to MASSPOWER since August 1991. Provide a history which identifies all changes to the initial rates and the Department approval associated with the change in the components of the definition of base firm revenues related to the change in the rates charged to MASSPOWER.
- MP 1-17. Please identify any changes in the Department's definition of firm on-system sales, firm off-system sales and firm on-system sales since 1991. Describe all changes in the regulatory concepts and collection of costs from those customer categories since 1991, providing citation to the Department's orders approving such changes.
- MP 1-18. Please identify if MASSPOWER received any change in rates associated with the Department's approval of rate changes in D.T.E. 97-97. Provide a calculation of the impact of any change and a copy of all notices and/or communications by Bay State to MASSPOWER related to the Department proceeding and order in D.T.E. 97-97.
- MP 1-19. Please provide the same information requested in MP 1-18 regarding D.T.E. 92-111.
- MP 1-20. Please provide copies of all notices and communication by Bay State to MASSPOWER pursuant to Article 6 of the Agreement.
- MP 1-21. Please provide copies of all notices and communications made by Bay State to MASSPOWER pursuant to Article 15 of the Agreement.
- MP 1-22. Please provide copies of all notices and communications made by Bay State to MASSPOWER pursuant to Article 24 of the Agreement.
- MP 1-23. Please provide copies of all communications made by Bay State to MASSPOWER pursuant to Article 25 of the Agreement.

- MP 1-24. Please provide the cost of the original Main and services installed to serve Masspower and the original incremental rate calculation associated with providing service to the MASSPOWER plant.
- MP 1-25. Please identify all additional customers who receive gas services through the use of the original plant installed to provide service to the MASSPOWER facility.
- MP 1-26. Please provide an estimate of the incremental capital costs associated with these new customers.
- MP 1-27. Please provide the calculation of the revenues, operating income and rate of return calculation associated with the costs of providing service to these additional customers.
- MP 1-28. Please provide the test year throughput by rate and customer class for all customers who receive gas through the use of the main installed to serve the MASSPOWER project.
- MP 1-29. Please provide an estimate of the operating costs by customer class for all customers receiving service through the MASSPOWER main.
- MP 1-30. Please provide a separate rate of return calculation by customer class for service provided to customers through the MASSPOWER main and a separate calculation for rate of return for customers by class who receive service through the incremental investment in additional mains, lateral and other services added subsequent to the construction of the original main and services installed to serve the MASSPOWER facility.